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DEPARTMENT OF TRANSPORTATION

MURRAY D VAN WAGONER (TRANSPORTATION) BUILDING 425 WEST OTTAWA STREET - PO BOX 30050 LANSING MICHIGAN 48909 PHONE 517-373-2090 FAX 517-373-0167 WEB SITE http://www.mdot state mi us GREGORY J ROSINE DIRECTOR August 22, 2001

To: Subject

All the Cities, Villages and Counties

Local Critical Bridge Program

There seems to be a great deal of confusion among local agencies and the public regarding Governor Engler's veto of the earmarking of federal bridge funds to the local Critical Bridge Program I would like to take this opportunity to clear the air surrounding the Governor's action, which has my full support

The Michigan Department of Transportation's (MDOT) budget for FY 2002, which will begin on October 1, 2001, included a line item indicating the legislature's desire to direct \$24 million of Michigan's federal bridge funds to the local Critical Bridge Program The Governor's July 23, 2001, veto eliminated that earmark of funds, but did not impact the existing process for allocating federal funds to critical bridges and other local agency programs. Funding for previously selected local bridge projects was not jeopardized, and more bridges will be selected for FY 2003 funding this coming winter.

The department will provide FY 2002 federal funding to local programs according to the same procedures we have used in recent years. Under that process we begin by applying the state law that requires 25 percent of most federal funds be made available for local programs. After that, within other state and federal requirements, we propose increases to subject local programs. The increases are proportional to the overall change in funding from the previous year. The proposed distribution is submitted to the County Road Association of Michigan and the Michigan Municipal League for their review and comment. Any statutorily allowed changes they suggest are incorporated at this point, and the legislature is notified of our final proposal. After they are finalized the new allocations of federal funds are made available to local agencies and programs. Barring a legislative or executive directive to the contrary, the department will continue the practice of providing federal funds to established local programs, including the Critical Bridge Program. The latest estimate we have for FY 2002 local bridge funding is \$22 million in federal funds and close to \$6 million in state funds. Excluding the \$3 million set aside for one county, which was also vetoed, the current estimate is close to what the Governor originally envisioned for the program in our budget.

The veto was necessary in order to maintain the state's flexibility in the distribution of federal funds in the face of changing needs and individual program funding levels. I hope this letter alleviates any fears that may have been raised regarding funding for local critical bridges and underscores the MDOT's ongoing support of the program. If you have any additional questions or concerns regarding the program, please contact Mr. Lou Lambert, Deputy Director at (517) 373-0343

Spincerely,

Gregory Rosine Director

Michigan Department of Transportation